

361—11.6(450) Type, use, and purpose of transfers. The transferred property for which tax credit will be claimed should be useful to the public generally. Thus, for example, transfers of real property to be dedicated and used as a park or wildlife area will generally be approved by the council for the tax credit. In addition, at the time of the transfer, the governmental entity receiving the property should intend to own and use it for a public purpose for an indefinite period of time. The council will not approve a tax credit if the property transferred is to be sold or otherwise transferred again. However, mere retention of authority to dispose of or transfer property does not preclude the council from granting the credit if the donee has rules or policies to ensure that the property may only be transferred to a similar entity or affiliated organization for a similar purpose or sold in a reasonable manner with the proceeds pledged to the same purpose as the original gift. The property transferred should have real significance to the public and should be permanently used for the public's benefit. Personal property transferred should have significant historical or cultural value or be transferred and used in association with any real property transferred for which the council will approve the tax credit.

EXAMPLE: G, a beneficiary of an estate, proposes to transfer land to a city which has accepted the transfer, and upon which the city will build a recreational facility. Provided all other criteria are met, the council will generally approve the tax credit with respect to such transfer.

EXAMPLE: H, a surviving joint tenant, proposes to transfer property held in joint tenancy, consisting of ten acres of land, to a county which has accepted the transfer. The county intends to sell the land and use the proceeds to purchase other property that will be used for a public purpose. Since the county will not use the transferred property for an indefinite period of time, the council will not approve the tax credit.

EXAMPLE: I, an heir, proposes to transfer assets received from an estate. These transfers will be a pickup truck to a county, a computer to a school district, a carpet to a city community center, a portrait of someone to hang on a courthouse wall, decedent's clothing to a county hospital, and some silver and gold coins to a drainage district. All political subdivisions have accepted these transfers. The personal property does not have significant historical value. The council will not approve the tax credit for any of these transfers as they do not constitute personal property of significant historical value or the transferred property will not be used by the political subdivisions for an indefinite period of time.